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INTERNATIONAL

Restricted Flow of Iranian Oil to Syria Is Latest Sign of Tension Between Allies

By YOUSSEF M. IBRAHIM

Staff Reporter of THE WALL STREET JOURNAL

Iran has stopped most of its deliveries of cheap oil to Syria in the past few weeks, a sign of growing tensions that threaten to split the most radical and anti-Western coalition in the Mideast.

Differences between the two countries over the activities of Iran in Lebanon, Syria's warmer relations with Jordan, and intelligence contacts between Iraq and Syria are gnawing at the four-year old alliance, according to Arab and Western government officials. While the differences aren't likely to cause Syria to shift sides in the almost six-year-old Iran-Iraq war, they have clearly impaired the relationship.

"There are many reasons to think the alliance isn't in such a good shape," says Ghassan Salameh, a political-science professor at the American University in Beirut. "They are diverging on political strategies in Lebanon and in the Gulf region."

Oil Deliveries Curtailed

The most glaring sign of change in direction is Iran's action on the oil deliveries. Its supply of cheap oil to President Hafez al-Assad's regime was a pillar of the March 1982 economic accord that cemented political relations between the two countries. That led to a wider political and strategic pact, including Iran's May 1984 agreement to defer payment of \$1 billion owed by Syria for previous oil deliveries.

The cutoff comes as Syria is in a severe economic downturn. Despite a \$700 million cash infusion from Saudi Arabia earlier this year, Syria's hard-currency reserves are down to "not more than \$50 million," according to David Mizrahi, editor of *Middle East Report*, a New York-based financial newsletter. Syria, Mr. Mizrahi says, has also accumulated foreign debt of \$3.5 billion, while its occupation army in Lebanon costs it \$300,000 a day.

As a result, Syria is scrambling for much of the 120,000 barrels of oil it used to get each day on concessionary terms from Iran. It is reported by the *Middle East Economic Survey*, an oil-trade newsletter, to have approached Saudi Arabia and Kuwait for "assistance to compensate for the reduction in deliveries from Iran."

James Placke, a Washington-based international-affairs consultant and former deputy assistant secretary of state for Persian Gulf affairs, calls the oil cutoff "a sig-



nificant change in Iranian-Syrian relations." He says it reflects wider differences between the two countries, particularly over policy in Lebanon. "They have been on a collision course there," he says.

Iran is meeting with increasing Syrian resistance to its continuing attempts to expand its influence among the substantial Shiite Moslem minority in Lebanon and to direct its own Lebanese militia and the Party of God (Hezbollah) adherents in the Bekaa Valley. "The Syrian army (which occupies the Bekaa) is now restraining their influence physically," says Prof. Salameh. That has caused deep resentment in Iran, which previously could move men freely in the valley.

Other differences over Lebanon include Iran's advocacy of an Islamic state in Lebanon and a more-confrontational attitude toward Israel by Shiite militias in southern Lebanon.

Diplomatic sources say Syria fears such policies will increase the danger of war with Israel and further weaken its control over Lebanon.

Arab government sources also say Syria was deeply annoyed at the successful assault mounted by Iranian troops against Iraq's Fao peninsula earlier this year. The occupation of the port city of Fao, near the Kuwait border, followed assurances extended by Syria to Saudi Arabia and Kuwait that Iran wouldn't threaten the Persian Gulf region. "Now the Kuwaitis can stay up at night listening to Iranian guns on their borders," notes one Arab oil minister.

Damascus Policies Criticized

Battered by falling oil prices, Iran, for its part, is eager to recoup the money it is owed by Syria. Iranian parliament deputies, who must approve any resumption of oil supplies, have been critical of Syrian

policies in Lebanon. They are expected to voice their views to a Syrian delegation due in Tehran soon.

Although Iranian oil-export facilities have been battered by Iraqi war planes in the past year, industry sources say the country has kept its oil production steady at about 1.8 million barrels a day. Thus, analysts say, the overwhelming motivation for the Iranian oil cutoff is political arm-twisting meant to dissuade President Assad from flirting with new allies.

Experts say part of Syria's change of attitude has to do with its new focus on improving relations with Jordan. Also, several secretive negotiations this year at the Syria-Iraq border between representatives of both countries have annoyed the Iranians, sources say.

In those talks, Iraqi diplomats say, Iraq told Syria that it wasn't interested in bargaining over the reopening of the Kirkuk-Banias pipeline that once carried Iraqi crude exports through Syrian territory to a Lebanese Mediterranean port. The April 1982 closure of that pipeline was the Syrian quid pro quo to Iran for its bargain-price oil supplies. The Iraqis don't need the pipeline any more; they have built or expanded pipelines via Saudi Arabia and Turkey, thus removing an important Syrian negotiating card.

Experts say all this doesn't add up to a rupture of relations between Iran and Syria, but as Mr. Placke, the foreign-affairs consultant, notes, "it certainly constitutes a change" in the tone of what was once a warm relationship.